# BEST COPY Available THROUGHOUT FOLDER

NSC BRIEFING

7 February 1956

# Confidential

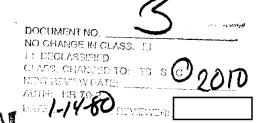
- SOVIET MOVES IN LIBYA
- I. Since arrival of Soviet Ambassador Generalov in Tripoli (6 Jan.) reports of Soviet interest in and offers to Libya have snowballed.
  - A. Generalov described by US Ambassador Tappin as "dumb like a fox and soft as a Toledo steel blade" reportedly took the occasion of his 13 January presentation of credentials to King Idriss to make a "no strings" offer of economic assistance.

25X1X6

в.			
	Soviet	offer	includes:

25X1X6

- 1. 40 to 50 thousand tons of wheat.
- 2. "Unlimited" economic aid, including "free arms."
- C. Generalov is also reported to have approached the Libyan petroleum commissioner and indicated a Soviet desire to apply for concessions (which might carry with them rights to the use of airstrips, radio stations.
  - 1. However, Libyan prime minister Ben Halim has denied that Soviet request for an oil concession has been made.
- D. Finally, US Embassy reports that, according to the Libyan minister of health, USSR has promised to supply Cyrenaica--Libya's eastern province--with "what it really needs"--doctors, nurses, and agricultural machinery.



SECRET

- II. Libyans' official reaction to Soviet "offers" has followed pattern set by Egyptian prime minister Nasr in his bloc arms deal.
  - A. Ben Halim who is a shrewd bargainer from the Alexandria cotton exchange, has previously pointed to hasty Western support for Egyptian high dam project as an example of success for tactics which other Near Eastern states should follow.
  - B. Has complained at length of what he says is niggardly quantity of Western aid despite Western commitment to support development of Libyan economy.
  - C. He has stated, even more frankly than Nasr, that unless west quickly makes far better offers than in past, he will be "forced" to accept Soviet aid.
- III. While Libyans are certainly bargaining, there is no reason to believe they would not accept Soviet offers.
  - A. Ben Halim has pro-Egyptian record on many matters: seems possible that Soviet offer may first have been cleared with Cairo and that Egyptians may be urging Libyans to accept.
  - B. Already existing commitments to West (in form of Western bases, which place Libya in tacit alliance with UK, US) are not likely to deter Libyans from accepting any Soviet economic offer which appears to be "without strings."
  - C. While Libyans will probably recall earlier Soviet interest in using their country as catspaw in international politics, their physical distance from, and previous lack of contact with, USSR make them almost indifferent to arguments about

Approved For Release 2002/07/02: CIA-RDP79R00890A000700020001-7

- D. Current admiration of Nasr for asserting Arab "independence" by bloc arms deal is strong in Arab states generally, and Libyan leaders probably cannot afford to buck this sentiment openly.
- IV. Mere fact of Soviet offers, regardless of actual acceptance by Libyans, means Libyan leaders will be even more difficult than in past when questions involving US and UK bases arise.
  - A. Transfer of US17th AF hddrs to Tripolitania is currently under review as result of this development.
  - B. Libyans assert that Soviet personnel will be restricted to strictly diplomatic activity.
  - C. However, Libyans are even less capable than Egyptians of countering subtler forms of Soviet penetration should Moscow decide to adopt them.
  - D. Ultimate tenability of US bases in Libya is thus called in question.

Approved For Release 2002/07/02 24-RDR79R00890A000700020001-7

## SOVIET MOVES IN LIBER

- I. Since arrival of Soviet Ambassador Generalov in Tripoli (6 Jan) reports of Soviet interest in and offers to Libya have snowballed.
  - A. Generalov--described by US Ambassador
    Tappin as "dumb like a fox and soft as
    a Toledo steel blade"--reportedly took
    the occasion of his 13 January presentation of credentials to King Idriss to
    make a "no strings" offer of economic
    assistance.

B. Soviet

25X1X6

offer includes:

- 1. 40 to 50 thousand tons of wheat.
- 2. "Unlimited" economic aid, including "free arms."

3.

SECRET COMPRESENTIAL

25X1X6

25X1D

Approved For Release 23 (2/07/02 CIA-RD 77 6 890 000 1000 200

- approached the Libyan petroleum commonsioner and indicated Soviet desire to apply for concessions which might carrive with them right to the use of airstrip; radio stations.
  - 1. However, Libyan prime minister Ber

    Halim has denied that Soviet reque t

    for an oil concession has been mack
- D. Finally, US Embassy reports that, according to the Libyan minister of health, USSR has promised to supply Cyrenaica—Libya's eastern province—with "what it really needs"—doctors, nurses, and agricultural machinery.
- II. Libyans' official reaction to Soviet "off- \$\vec{s}\$ has followed pattern set by Egyptian primminister Nasr in his Bloc arms deal.

### Approved For Release 2002/07/02 P79R00890A000700020001-7

- from the Alexandria cotton exchange

  has previously pointed to hasty wester support for Egyptian high dam project as example of success for tactic which other Near Eastern states should follow. Has complained at length of what he say is niggardly quantity of Western aid despite Western committment to support development of Libyan economy.
- C He has stated, even more frankly than Nasr, that unless West quickly makes far better offers than in past, he will be "forced" to accept Soviet aid.
- iv. While Libyans are certainly bargaining, there is no reason to believe they would not accept Soviet offers.
  - A. But Falim has pro-Egyptian record on the authorst seems possible that Soviet of for may first have been cleared with trouble that Sopptions may be orging

Approved For Release 2002/07/02 : CIA-R - 7 1 00890 A 20 00020001-7

form of western bases, which place
Libya in tacit alliance with UK, US are
not likely to deter Libyans from accepting any Soviet economic offer which
appears to be "without strings."

'n

- earlier Soviet interest in using their country as catspaw in international politics, their physical distance from, and previous lack of contact with, USSA make them almost indifferent to arguments about ultimate Soviet objectives.
  - Current admiration of Nasr for asserting Arab "independence" by Bloc arms deal is strong in Arab states generally, and Libyan leaders probably cannot afford to buck this sentiment openly.

Approved For Release 2002/07/02 : CIA-RDP79R00890A000700020001-7

- W. Mere fact of Soviet offers, regardless of actual acceptance by Libyans, means Libyan leaders will be even more difficult than in past when questions involving US and UK bases arise.
  - A. Transfer of US 7th AF Hdqts, to

    Tripolitania is currently under review
    as result of this development.
  - B. Libyans assert than Soviet personnel will be restricted to strictly diplomatic activity.
  - C. However, Libyans are even less capable than Egyptians of countering subtler forms of Soviet penetration should Moscow decide to adopt them.
  - D. Ultimate tenability of US bases in Libya is thus called in question.

### CONFEDENTIAL